

108TH CONGRESS  
2D SESSION

# H. R. 3955

To require the Securities and Exchange Commission to require public companies to disclose their payments to foreign governments for the purposes of natural resources exploration, development, and extractions rights.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 11, 2004

Mr. ISRAEL introduced the following bill; which was referred to the Committee on Financial Services

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## A BILL

To require the Securities and Exchange Commission to require public companies to disclose their payments to foreign governments for the purposes of natural resources exploration, development, and extractions rights.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Democracy Develop-  
5       ment Act of 2004”.

6       **SEC. 2. RULEMAKING REQUIRED.**

7       (a) **REVISION OF DISCLOSURE REQUIREMENTS RE-**  
8       **QUIRED.**—The Securities and Exchange Commission shall

1 revise its rules and regulations under sections 13 and  
2 15(d) of the Securities Exchange Act of 1934 (15 U.S.C.  
3 78m, 78o(d)) to require each issuer subject to such sec-  
4 tions to disclose in the annual and quarterly reports of  
5 such issuer the aggregate payments by such issuer made  
6 in connection with the securing of exploration, develop-  
7 ment, exploitation, extraction, and production rights for  
8 natural resources to any foreign government or any other  
9 public entity of foreign countries. Such aggregate pay-  
10 ments shall include taxes, royalties, fees, and other  
11 amounts paid in such connection.

12 (b) MINIMUM PAYMENTS EXCEPTED.—Such disclo-  
13 sure requirement shall not apply to an issuer if the  
14 amount of such aggregate payments by such issuer for the  
15 reporting period are less than \$250,000.

16 (c) DEADLINE FOR REVISIONS.—The Securities and  
17 Exchange Commission shall prescribe the revisions re-  
18 quired by subsection (a) not later than 6 months after the  
19 date of enactment of this Act.

20 (d) DEFINITION OF NATURAL RESOURCES.—For  
21 purposes of this section, the term “natural resources”  
22 means oil, gas, and minerals.

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